

AUDIT

76-6519

28 JULY 1976

25X1A

MEMORANDUM FOR: DIRECTOR OF TRAINING

25X1A

FROM :

SUBJECT : RESULTS OF ANNUAL AUDIT

1. THE ANNUAL AUDIT OF THE [REDACTED] STARTED ON 14 JUNE AND WAS COMPLETED ON 20 JULY 1976. THE AUDITORS WERE [REDACTED]

25X1A

25X1A

2. ON 28 JULY, THE CHIEF OF STATION [REDACTED] DEPUTY FOR SUPPORT [REDACTED] AND CHIEF, FINANCE BRANCH, [REDACTED] MET WITH [REDACTED] TO GO OVER THE RESULTS OF THE AUDIT. ATTACHED YOU WILL FIND TWO PAPERS RELATING TO THE AUDIT. ONE IS ENTITLED "REPORT OF AUDIT - [REDACTED] FOR THE PERIOD 1 JUNE 1974 - 31 MAY 1976, THE OTHER IS A DRAFT "REPORT OF AUDIT - [REDACTED] FOR THE PERIOD 1 MAY 1975 - 31 MAY 1976. FROM THE DISCUSSION WITH [REDACTED] AND THE CONTENTS OF THE TWO REPORTS, WE FIND NO MAJOR DISCREPANCIES OR IRREGULARITIES. THERE ARE SOME PROCEDURAL MATTERS THAT NEED CORRECTING. ACTION IS BEING TAKEN TO IMPLEMENT ALL OF THE RECOMMENDATIONS CONTAINED IN THE TWO REPORTS.

25X1A

25X1A

25X1A

25X1A

25X1A

25X1A

25X1A

25X1A

3. AT THE ABOVE DESCRIBED MEETING WITH [REDACTED] ON 28 JULY, HE RAISED THE MATTER OF WEEKEND COMPENSATION FOR STUDENTS. THE MATTER IS BEING REVIEWED BY THE AUDIT STAFF SINCE THERE IS A DIFFERENCE BETWEEN THE COMPENSATION PAID STUDENTS AT [REDACTED] AND THE [REDACTED] IS PAYING STUDENTS \$12.00 PER DAY, THE [REDACTED] PAYS \$5.75 A DAY. WE HAVE ARRIVED AT THIS FIGURE BASED ON THE COST OF MEALS (\$4.25) AND THE COST OF THE BILLETTS (\$1.50). AS YOU MAY KNOW, THE MATTER OF REIMBURSEMENT TO STUDENTS FOR THE WEEKEND HAS BEEN DISCUSSED ON A NUMBER OF OCCASIONS. IT HAS BEEN OUR BELIEF THAT STUDENTS CAN REMAIN AT THE [REDACTED] WITH ALL FACILITIES BEING PROVIDED. THE ONLY REASON WHY ANY REIMBURSEMENT IS MADE IS TO OFFSET TRANSPORTATION COSTS FOR INDIVIDUALS DRIVING POVS. WE UNDERSTAND THAT THE

25X1A

25X1A

25X1A

25X1A

25X1A

ER IMPDET
CL BY 057247

SECRET

25X1A

HIGHER RATE BEING PAID BY [REDACTED] MAY BE BASED ON THE FACT THAT STUDENTS ARE PERMITTED TO EITHER LIVE ON THE INSTALLATION OR IN [REDACTED] THIS IS NOT FEASIBLE OR ADVISABLE FOR THE [REDACTED] SINCE COSTS IN [REDACTED] FOR MOTEL ROOMS RUN AS MUCH AS \$30.00 TO \$40.00 A DAY, PLUS THE FACT THAT THERE ARE COVER AND SECURITY CONSIDERATIONS HERE. [REDACTED] SAID THAT HE WOULD BE CONSULTING WITH THE C/B&F/TR TO ASCERTAIN THE ORIGINS OF THE WEEKEND COMPENSATION FOR STUDENTS AT THE [REDACTED] IT IS OUR OPINION THAT THE [REDACTED] RATE SHOULD BE BROUGHT INTO LINE WITH THE [REDACTED] RATE AND NOT VICE VERSA.

25X1A
25X1A

25X1A

25X1A

25X1A

25X1A

25X1A

25X1A

4. ANOTHER TOPIC WE RAISED WITH [REDACTED] WAS THE TIMING OF THE [REDACTED] AUDIT. WE RECOMMENDED THAT IN THE FUTURE, AS IN THE PAST, THE AUDIT DOES NOT TAKE PLACE AT THE VERY END OF A FISCAL YEAR OR THE VERY BEGINNING OF A NEW FISCAL YEAR. AT SUCH TIMES, OUR LOGISTICS AND FINANCE PERSONNEL ARE EXTREMELY BUSY WITH YEAR-END CONTRACTS, REPORTS, AND FINANCIAL MATTERS WHICH DO NOT ALLOW THEM TO GIVE THE AUDITORS FULL ATTENTION. [REDACTED] NOTED AND AGREED WITH OUR POINT.

25X1A

25X1A

25X1A

5. WE THANKED [REDACTED] FOR HIS THOROUGH AND PROFESSIONAL WORK, AND HE EXPRESSED HIS APPRECIATION TO THE ENTIRE [REDACTED] STAFF FOR THEIR COOPERATION.

25X1A

SIGNED

25X1A

ATTACHMENTS

DISTRIBUTION:

25X1A

- ORIG AND 1 - ADDRESSEE (W/ATTS)
- 1 - C/B&F/TR (W/ATTS)
- ✓ 1 - OTR REGISTRY (W/O ATTS)
- 1 - [REDACTED] TS)
- 1 - [REDACTED] W/ATTS)
- 1 - [REDACTED] (W/ATTS)
- 2 - [REDACTED] (W/O ATTS)

SECRET